

Solutions for the Future

Nushagak Electric & Telephone Cooperative, Inc. 557 Kenny Wren Road • P.O. Box 350 • Dillingham, AK 99576 Ph: 907-842-5251 • Fx: 907-842-2799 • www.nushtel.com

June 20, 2012

Ms. Marlene H. Dortch Secretary Federal Communications Commission 9300 East Hampton Drive Capitol Heights, MD 20743

Re: WC Docket No. 10-90, Annual 54.313(a)(2) through (6); (f)(2) and (h) Report of High-Cost Recipient

Dear Ms. Dortch:

Enclosed herein is the annual report for **Nushagak Electric & Telephone Cooperative Inc.**, Study Area Code ____613018 ____ pursuant to §54.313 of the Commission's rules.

Also enclosed is one copy of this cover letter to be stamped and returned in the enclosed SASE.

Please contact me with any questions at:

Phone

907842 - 5251

Email

mmegli@nushagak.coop

Sincerely,

Michael O. Megli

Chief Executive Officer

Enclosures

Copies to:

Karen Majcher

Vice President-High Cost and Low Income Division

Universal Service Administrative Company

2000 L Street NW, Suite 200

Washington, DC 20036

Regulatory Commission Of Alaska 701 West 8th Avenue, Suite 300 Anchorage, Alaska 99501 Gusty Chythlook Sr. Aleknagik Traditional Council PO Box 115 Aleknagik AK 99555

Moses Toyukak Sr. Manokotak Village Council PO Box 169 Manokotak AK 99628-0149

Robert Heyano Ekuk Village Council PO Box 530 Dillingham AK 99576-1630

Harry Wassily Sr. Clarks Point Village Council PO Box 90 Clarks Point AK 99569

Thomas Tilden Curyung Tribal Council PO Box 216 Dillingham AK 99576-1630

Certifications

In compliance with the following regulations, Nushagak Electric & Telephone Cooperative Inc., by <u>Michael O. Megli</u> its <u>Chief Executive Officer</u> hereby certifies, subject to the penalties for false statements imposed

under 18 U.S.C. § 1001, that:

required in 47 CFR § 54.

54.313(a)

47 CFR § 54.202(a)(1)(i) – It will make reasonable efforts to comply with the service requirements applicable to the support it receives, specifically:

High Cost Loop Support – the services listed and defined in 47 CFR § 54.101(a).

Lifeline Support – the three criteria set forth in 47 CFR § 54.401(a).

Interstate Common Line Support – the filings required in 47 CFR § 54.903 and the certification

47 CFR § 54.313(a)(5) — It complies with the service standards of the Regulatory Commission of Alaska as promulgated in the RCA statutes 3AAC 53.450 (a) and (c), Eligible Telecommunications Carrier Designation Consumer Protection; service quality and consumer protection rules as defined in 47 CFR Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag rules to prevent identity theft. (See also Page 3)

- 47 CFR § 54.313(a)(6) It will make reasonable efforts to function in emergency situations as set forth in 47 CFR §54.202(a)(2). (See also Page 4)
- 47 CFR § 54.313(g) It is without access to terrestrial backhaul and is compelled to rely exclusively on satellite backhaul in its study area. No terrestrial backhaul options exist. It will make reasonable efforts to offer broadband service at actual speeds of at least 1 Mbps downstream and 256 kbps upstream within the supported area served by satellite middle-mile facilities.

Certified by:

Michael O. Megli

Printed Name

Chief Executive Officer

54.313(a)(2) Detailed Information on any Outage in 2011

An outage is a significant degradation in the ability of an end user to establish and maintain a channel of communications as a result of failure or degradation in the performance of a communications provider's network of at least 30 minutes in **Nushagak Electric & Telephone Cooperative Inc.** service area.

cooperative and service deal.
An outage affected at least ten percent of the end users in the service areaNo
An outage that potentially affects a 911 special facility occurs whenever: (1) There is a loss of communications to PSAP(s) potentially affecting at least 900,000 userminutes and: The failure is neither at the PSAP(s) nor on the premises of the PSAP(s); no reroute for all end users was available; and the outage lasts 30 minutes or more; or (2) There is a loss of 911 call processing capabilities in one or more E–911 tandems/selective routers for at least 30 minutes duration; or (3) One or more end-office or MSC switches or host/remote clusters is isolated from 911 service for at least 30 minutes and potentially affects at least 900,000 user-minutes; or (4) There is a loss of ANI/ALI (associated name and location information) and/or a failure of location determination equipment, including Phase II equipment, for at least 30 minutes and potentially affecting at least 900,000 user-minutes (provided that the ANI/ALI or location determination equipment was then currently deployed and in use, and the failure is neither at the PSAP(s) or on the premises of the PSAP(s)).
An outage affected a 911 special facility in the service areaNo
Information on each outage included in the above:
(A) The date and time of onset of the outage -
(B) A brief description of the outage and its resolution -
(C) The particular services affected –
(D) The geographic areas affected by the outage
(F) The number of customers affected

Nushagak Electric & Telephone Cooperative Inc.

2012 Annual 54.313 Report of High-Cost Recipient

Miscellaneous Information

The Regulatory Commission of Alaska did not require this information in 2011

54.313(a)(3) The number of requests for service from potential customers within the recipient's service areas that were unfulfilled during the prior calendar year0
54.313(a)(4) The number of complaints per 1,000 connections in 20110
54.313(a)(5) Satisfactions of Consumer Protection and Service Quality Standards
Consumer Protection Nushagak Electric & Telephone Cooperative Inc. complies with the requirements of 47 CFF Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag rules to prevent identity theft. A manual for each of those programs is in place and is part of the employees' handbook. Employee training is conducted annually and ne hires are instructed on the programs as required by their job functions.
Service Quality Standards Nushagak Electric & Telephone Cooperative Inc. complies with the service standards of the Regulatory Commission of Alaska as promulgated in the RCA Statutes 3 AAC 53.450 (a) and (c), Eligible Telecommunications Carrier Designation Consumer protection and service quality

Page 3

54.313(a)(6) Ability to Remain Functional in Emergency Situations

Back-up Power

Nushagak Electric & Telephone Cooperative Inc. has the following back-up power capabilities:

Switches – stand alone and/or host

- 1. Dillingham area Metaswitch. Gel Cell battery backup, 2,090 Ah. Estimated run time of 12 hours
- 2. Clarks point area Redcom Switch. Sealed Lead acid battery, 600 Ah with Solar panels. Estimated run time of 24 hours.
- 3. Manokotak area Redcom Switch. Located in AT&T earth station facility, Lead acid battery-Estimated run time 8 hours

Subscriber carrier (DLC, AFC, OPM, etc.)

- 1. Dillingham area Kanananak. Sealed Lead acid battery, 600 Ah. 30 hour estimated run time.
- 2. Dillingham area Lupin Dr. Sealed Lead acid battery, 600 Ah. 30 hour estimated run time.
- 3. Dillingham area, Wasky Rd. Sealed Lead acid battery, 600 Ah. 30 hour estimated run time
- 4. Dillingham area, 9 mile lake road, Sealed Lead acid battery, 600 Ah. 30 hour estimated run time.
- 5. Dillingham area, ravens view, Sealed Lead acid battery, 600 Ah. 30 hour estimated run time.
- 6. Dillingham area, Aleknagik south shore, Sealed Lead acid battery, 600 Ah. 30 hour estimated run time.
- 7. Dillingham area, Aleknagik north shore, Sealed Lead acid battery, 600 Ah. 30 hour estimated run time.
- 8. Manokotak area, Manokotak heights, Sealed Lead acid battery, 600 Ah. 30 hour estimated run time.

Network Interface Devices (NIDs)

Nushagak Electric & Telephone Cooperative Inc. has 1,995 customers with metallic (copper) connections to the Central Office and their NIDs are powered from the Central Office.

Nushagak Electric & Telephone Cooperative Inc. has 3 customers with non-metallic (fiber optic) connections to the Central Office. These Facilites are equipped with 100% backup diesel generation systems.

Ability to reroute traffic around damaged facilities:

Nushagak Electric & Telephone Cooperative Inc. has built redundant facilities between its exchanges and / or to its connecting company / toll tandem. This redundant facility is in the form of a SONET ring (or other technology) with alternate physical facilities between Nushagak Electric & Telephone Cooperative Inc., AT&T, and GCI, its interconnection to the Public Switched Telephone Network.

Capability to manage traffic spikes resulting from emergency situations

Nushagak Electric & Telephone Cooperative Inc. has 1995 customers, switching capacity of 250,000 simultaneous calls, and transport capacity for 2,016 simultaneous calls. Nushagak Electric & Telephone Cooperative Inc. takes no responsibility for the capabilities of interconnected networks to manage traffic spikes resulting from emergency situations, but will continue its best efforts for its networks during such events.

54.313(f)(2) Audited Financial Report

Please find a copy of the company's financial report for 2011.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless at displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, antherine and maintaining the data needed, and completely and reviewing flux collection of information.

searching existing data sources, gathering and maintaining	the data needed, and co	mpleting and reviewing	ind collection of information.		
USDA-RU	S		This data will be used by RUS to review year financial simotion. Your re	sponse is required by 7 U.	S.C. 901 vi seq.
OPERATING REPORT FOR		and, subject to federal lows and regulations regarding confidential information, will be treated as confidential			
		BORROWER NAME			
		Nushagak Electric & Telephone Cooperative Inc.			
TELECOMMUNICATION	IS BORROWER	RS .		•	
INSTRUCTIONS-Submit repart to RUS within 30 da	we after clave of the o	arend	PERIOD ENDING BOI	ROWER DESIGNATION	std.
For detailed instructions, see RUS Bulletin 1744-2. I			1	(0513	
			ERTIFICATION		·····
We hereby certify that the entries in this	report are in accor		counts and other records of the system and reflect the status	of the system	
to the best of our knowledge and belief.					
RENEWALS HAVE BEEN OBTAIN			I, RUS, WAS IN FORCE DURING THE REPORTING	PERIOD AND	
DORING THE PERIC	DD COVERED BY		PURSUANT TO PART 1788 OF 7CFR CHAPTER XVI of the following)	1	
All of the obligations under the RUS toan do	cuments		There has been a default in the fulfillment of the obligation	ne	
have been fulfilled in all material respects.	, and a second		under the RUS loan documents. Sald default(s) is/are		
Michael O. Megli		03/29/20	specifically described in the Yelecom Operating Report		
- Heggs	_		sk dan 1		
	LPS-PROPERTY SECTION AND ANGELOW AND A	DATE	***************************************		
	T	·····	A. BALANCE SHEET	T	
400***	BALANCE	BALANCE		BALANCE	BALANCE
ASSETS	PRIOR YEAR	END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	PRIOR YEAR	END OF PERIOD
CURRENT ASSETS	4045000	0704540	CURRENT LIABILITIES	00000	60100
1, Cash and Equivalents	1945066		25. Accounts Payable	96636	63105
2. Cash-RUS Construction Fund	2088	2088	26. Notes Payable		
3. Affiliales:	477000		27. Advance Billings and Payments		
a. Telecom, Accounts Receivable	47293		28. Customer Deposits	104826	116408
b. Other Accounts Receivable	314787		**************************************	241000	254000
c. Notes Receivable	382650		30, Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current MatCapital Leases		
a, Telecom, Accounts Receivable			32. Income Taxes Acciued		
b. Other Accounts Receivable			33. Other Taxes Accrued	68956	73945
c. Notes Receivable			34, Other Current Liabilities	163776	136389
5. Interest and Dividends Receivable	400000		35. Total Current Liabilities (25 thru 34)	675194	643847
6. Material-Regulated	123706		LONG-TERM DEBT	a i mananan ani	
7. Material-Nonregulated	34740 62277	55004	36. Funded Debt-RUS Notes		
8. Prepayments	02211	00004	37. Funded Debt-RTB Notes		
9. Other Current Assets	2912607	3423273	38. Funded Debt-FFB Notes	930549	570198
0. Total Current Assets (1 Thru 9)	2812607	3423273	39. Funded Debt-Other	930549	5/0196
IONCURRENT ASSETS	terrore engligher (g.) Troin on a wisterer (ili, dimini palaga manazi manazi	40. Funded Debt-Rural Develop, Loan	-	
Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt 42. Reacquired Debt		
a. Rurai Development					
b. Nonriral Development	المرازية والمرافقة والمرازية	and the second of the second	43. Obligations Under Capital Lease		
2. Other investments			44. Adv. From Affiliated Companies 45. Olher Long-Term Debt	 	
a. Rural Development	273758	256162		930549	570198
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45) OTHER LIAB, & DEF, CREDITS	930348	370190
3. Nonregulated investments	18536				
4. Other Noncurrent Assets	5359192	5396414	47. Other Long-Term Liabilities 48. Other Deferred Credits	 	
Deferred Charges Jurisdictional Differences		~~ ~~~	49. Other Jurisdictional Differences	 	
7. Total Noncurrent Assets (11 thru 16)	5591486	5672112	50. Total Other Liabilities and Deferred Credits (47 thru 49)	 	
······································	3391460	30/3112		daran magazi Serija	
LANT, PROPERTY, AND EQUIPMENT	er i i i i i i i i i i i i i i i i i i i	endako Indanesia (1991)	EQUITY 51 Can Stack Outstand & Subscribed		nia az la ini
8. Telecom, Plant-in-Service	14481970	14999224	51. Cap. Stock Outstand, & Subscribed	1	
Property Held for Future Use Plant Under Construction	717680	163E00	52. Additional Pald-in-Capital 53. Treasury Stock	1	
······································	7 17 000	· · · · · · · · · · · · · · · · · · ·	54. Membership and Cap. Certificates	1	
Plant Adj., Nonop. Plant & Goodwill Loss Assumulated Conseciation	0000400			5324585	5362353
2. Less Accumulated Depreciation	9922490 5277160		55, Other Capital 56, Patronage Capital Credits	6550736	6534110
3. Net Plant (18 thru 21 less 22) 4. TOTAL ASSETS (10+17+23)	5277100		57. Retained Earnings or Margins	300189	582528
4. TOTAL AUGETO (TOTATIO)		ì	59 Total Equity (51 flux: 67)	10175510	12479901

13693036

13781253

59. TOTAL LIABILITIES AND EQUITY (35+46+60+58)

13781253

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

AK0513

PERIOD ENDING

INSTRUCTIONS- See RUS Bulletin 1744-2

December 31, 2011

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
Local Network Services Revenues	71949	656679
2. Network Access Services Revenues	2935645	3146937
Long Distance Network Services Revenues		
Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues	43281	25178
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)	3698775	3828794
8. Plant Specific Operations Expense	1149260	1237926
Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	410742	369123
10. Depreciation Expense	796464	807380
11. Amortization Expense		
12. Customer Operations Expense	155356	121150
13. Corporate Operations Expense	883772	984785
14. Total Operating Expenses (8 thru 13)	3395594	3520364
15. Operating Income or Margins (7 less 14)	303181	308430
16. Other Operating Income and Expenses	44134	47188
17. State and Local Taxes		
18. Federal Income Taxes		······································
19. Other Taxes	71943	78944
20. Total Operating Taxes (17+18+19)	71943	78944
21. Net Operating Income or Margins (15+16-20)	275372	276674
22. Interest on Funded Debt	74547	57887
23. Interest Expense - Capital Leases		
24. Other Interest Expense	4644	5196
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)	79191	63083
27. Nonoperating Net Income	74744	76001
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income	31307	37640
31. Total Net Income or Margins (21+27+28+29+30-26)	302232	327232
32. Total Taxes Based on Income		321232
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		***************************************
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital	675409	302232
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	302232	327232
40. Patronage Capital Beginning-of-Year	7217591	7774429
41. Transfers to Patronage Capital	675409	302232
42. Patronage Capital Credits Retired	118571	16472
43. Patronage Capital End-of-Year (40+41-42)	7774429	8060189
44. Annual Debt Service Payments	406570	405237
45. Cash Ratio [(14+20-10-11) / 7]	.7222	.7292
46. Operating Accrual Ratio ((14+20+26) / 7)	.9589	.9565
47. TIER [(31+26) / 26]	4.89165	6.187
48. DSCR [(31+26+10+11) / 44]	2.8971	2.955

BORROWER DESIGNATION USDA-RUS AK0513 OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS PERIOD ENDING December 2011 INSTRUCTIONS- See RUS Bulletin 1744-2 PART C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION See Part C Continuation Attached- (If box is checked) 2. SUBSCRIBERS (ACCESS LINES) 1. RATES 3. ROUTE MILES EXCHANGE R-1 BUSINESS RESIDENTIAL TOTAL TOTAL FIBER B-1 (including fiber) No. Exchanges (4) 87 10.00 (w) 20.55 14.00 21.25 86 807 1793 DLG/Aleknagik 29 Clarks Point/Ekuk 30.40 20 49 5 Manokotak 30.40 21.25 58 95 153

1073

922

1995

94

Mobile Wireless

Route Mileage Outside Exchange Area

TOTAL

Page 3 of 6

10.00

USDA-RUS

BORROWER DESIGNATION AK0513 PERIOD ENDING

OPERATING REPORT FOR **TELECOMMUNICATIONS BORROWERS** December 31, 2011 PART H. CURRENT DEPRECIATION RATES Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one) X YES NO **EQUIPMENT CATEGORY** DEPRECIATION RATE 13.52% 1. Land and support assets - Motor Vehicles Land and support assets - Aircraft 10.00% Land and support assets - Special purpose vehicles 10.00% Land and support assets - Garage and other work equipment 4.01% Land and support assets - Buildings 9.23% Land and support assets - Furniture and Office equipment 8.95% Land and support assets - General purpose computers 12.58% Central Office Switching - Digital Central Office Switching - Analog & Electro-mechanical 10. Central Office Switching - Operator Systems 8.30% 11. Central Office Transmission - Radio Systems 6.04% 12. Central Office Transmission - Circuit equipment 13. Information origination/termination - Station apparatus 14. Information origination/termination - Customer premises wiring 15. Information origination/termination - Large private branch exchanges 16. Information origination/termination - Public telephone terminal equipment 17. Information origination/termination - Other terminal equipment 8.71% 18. Cable and wire facilities - Poles 5.08% 19. Cable and wire facilities - Aerial cable - Metal 20. Cable and wire facilities - Aerial cable - Fiber 3.89% 21. Cable and wire facilities - Underground cable - Metal 22. Cable and wire facilities - Underground cable - Fiber 3.89% 23. Cable and wire facilities - Buried cable - Metal 24. Cable and wire facilities - Buried cable - Fiber 25. Cable and wire facilities - Conduit systems 26. Cable and wire facilities - Other

					***************************************	***************************************
USDA-RUS			BORROWER DESIGNATION			
OPERATING REPORT FOR			AK0513			
TELECOMMUNICATIONS BORROWERS				PERIOD ENDING		
			December 3	December 31, 2011		
INSTRUCTIONS- See RUS E	3ulletin 1744-2					
		PART D. SYSTEM	M DATA			
1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served		4. Access Lines per Squa	re Mile	5. Subscribets per Route Mile
		PARTE, TOLL	DATA	-		
Study Area ID Code(s)	2. Types of Toll S	ettlements (Check on	e)	·····		
,, 5,44,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	a.613018	(4	Interstate:	Average Schedu	e	X Cost Basis
	b					
	с		Intrastate;	Average Schedul	e	X Cost Basis
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				·····	······································	
	PART F. FL	INDS INVESTED IN I	PLANT DURING YE	AR		
1. RUS, RTB, & FFB Loan Fi	unds Expended	***************************************				
2. Other Long-Term Loan Fu	nds Expended					
3. Funds Expended Under R						
4. Olher Short-Term Loan Fu	ınds Expended					
General Funds Expended	(Other than Interim)					517254
Salvaged Materials					· · · · · · · · · · · · · · · · · · ·	
7. Contribution in Aid to Cons	struction					
8. Gross Additions to Telecor	m. Plant (1 thru 7)					
	PART G. IN	VESTMENTS IN AFF	ILIATED COMPAN	ies		
		CURRENT	YEAR DATA		CUMULATIVE D	ATA
				Cumulative	Cumulative	
INVESTMENTS		Investment	Income/Loss	Investment	Income/Loss	Current
		This Year	This Year	To Date	To Date	Balance
	W	(6)	(6)	(4)	(e)	(0)
Investment in Affiliated Co.	mpanies - Rural Development				1	
	mpanies - Nonrural Development	 		1		
			L		<u> </u>	1

USDA-RUS

OPERATING REPORT FOR

BORROWER DESIGNATION

AK0513

PERIOD ENDED

TELECOMMUNICATIONS BORROWERS December 31, 2011 INSTRUCTIONS - See help in the online application.

INST	RUCTIONS – See help in the online application.	o
	PART I – STATEMENT OF CASH FLOWS	
1,	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	1947154
	CASH FLOWS FROM OPERATING ACTIVITIES	
2.	Net Income	327323
	Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
3.	Add: Depreciation	807380
4.	Add: Amortization	
5.	Reclass between categories	3506
	Changes in Operating Assets and Liabilities	
6.	Decrease/(Increase) in Accounts Receivable	(67190)
7.	Decrease/(Increase) in Materials and Inventory	6053
8.	Decrease/(Increase) in Prepayments and Deferred Charges	7273
9.	Decrease/(Increase) in Other Current Assets	0
10.	Increase/(Decrease) in Accounts Payable	(33531)
11.	Increase/(Decrease) in Advance Billings & Payments	
12.	Increase/(Decrease) in Other Current Liabilities	(27387)
13.	Net Cash Provided/(Used) by Operations	1016324
	CASH FLOWS FROM FINANCING ACTIVITIES	101002-
14.	Decrease/(Increase) in Notes Receivable	382650
15.	Increase/(Decrease) in Notes Payable	002000
16.	Increase/(Decrease) in Customer Deposits	11582
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	(347349)
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits	(22399)
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	0
20.	Less: Payment of Dividends	
21,	Less: Patronage Capital Credits Retired	(24440)
22.	Other (Explain)	(24440)
	Reclass between categories	19473
23.	Net Cash Provided/(Used) by Financing Activities	19517
	CASH FLOWS FROM INVESTING ACTIVITIES	
24.	Net Capital Expenditures (Property, Plant & Equipment)	(264309)
25.	Other Long-Term Investments	
26.	Other Noncurrent Assets & Jurisdictional Differences	(39222)
27.	Other (Explain)	
	Reclass between categories	53502
28.	Net Cash Provided/(Used) by Investing Activities	(250029)
29.	Net Increase/(Decrease) in Cash	839453
30.	Ending Cash	2786606
		Revision Date 2010

Notes for Operating Report for Telecommunications Borrowers

PART A BALANCE SHEET:

#14 Other Non-current Assets includes total margins and equity of \$5,398,414 for the Electric Division #1.

#55-Equity includes total equity/Electric division plus other equity/Telephone, les current Electric margins.

5,398,424+11,127-47188=5,362,353

PART B STATEMENT OF INCOME AND RETAINED EARNINGS OR MARGINS:

#16 Other Operating Income and expenses of \$47,188 are total margins for 2011 for the Electric division #1.

Note: The Telephone division #2, has no employees of its own. Under terms of a joint management agreement with the Electric division #1, division #1 bills division #2 for cost of services its employees provide to division #2.

54.313(h) Additional Residential Voice Rate Data As of June 1, 2012

Rates and lines ABOVE the local urban rate floor of \$10.00

Voice rate data	Rate
Dillingham	
Residential Local Service Rate -	\$14.00
State Subscriber Line Charges	\$ 2.41
State Universal Service Fee	\$ 1.33
Mandatory EAS Charges	<u>\$ x.xx</u>
Total	\$17.74
Voice rate data	Rate
Voice rate data Manokotak & Ekuk	Rate
	Rate \$21.25
Manokotak & Ekuk	
Manokotak & Ekuk Residential Local Service Rate -	\$21.25
Manokotak & Ekuk Residential Local Service Rate - State Subscriber Line Charges	\$21.25 \$ 2.41

Rates and lines BELOW the local urban rate floor of \$10.00

<u>NONE</u>

Annual Reporting Requirements pursuant to § 54.313(a)(2)-(6)

WC Docket No. 10-90

§ 54.313	v(a)(2) – Outage reporting
X	My company was not required to collect this information in 2011.
	My company collected this information pursuant to state utility commission requirement. A copy of the report is attached.
§ 54.313	(a)(3) – Unfulfilled service requests
X	My company was not required to collect this information in 2011.
	My company collected this information pursuant to state utility commission requirement. A copy of the report is attached.
§ 54.313	(a)(4) - Customer complaints per 1000 connections
X	My company was not required to collect this information in 2011.
	My company collected this information pursuant to state utility commission requirement. A copy of the report is attached.
§ 54.313	(a)(5) – Service quality standards and consumer protection rules
	ify that the reporting carrier is in compliance with applicable service quality standards and umer protection rules.
§ 54.313	(a)(6) – Ability to function in emergency situations
§54.2 ensu	ify that the reporting carrier can function in emergency situations as set forth in 47 CFR 202(a)(2). Specifically, the reporting carrier has a reasonable amount of back-up power to re functionality without an external power source, is able to reroute traffic around damagedies, and is capable of managing traffic spikes resulting from emergency situations.

I am authorized to make this certification on behalf of the company named above and, to the best of my knowledge the information reported on this form is accurate. This certification is for the study area(s) listed below. (Please enter your Company Name, State and Study Area Code)

Company Name	State	Study Area Code
Nushagak Elec & Tele Coop., Inc.	AK	613018

(If necessary, attach a separate list of additional study areas and check this box.)

Signed,

[Signature of Corporate Officer

Michael O Megli

[Printed Name of Corporate Officer]

Chief Executive Officer

[Title of Corporate Officer]

Carrier's Name Nushagak Electric & Telephone Cooperative Inc.

0. Weels Date: 6/21/2012

Carrier's Address PO Box 350, Dillingham, AK 99576

Carrier's Telephone Number (907) 842-5251